

January 2003

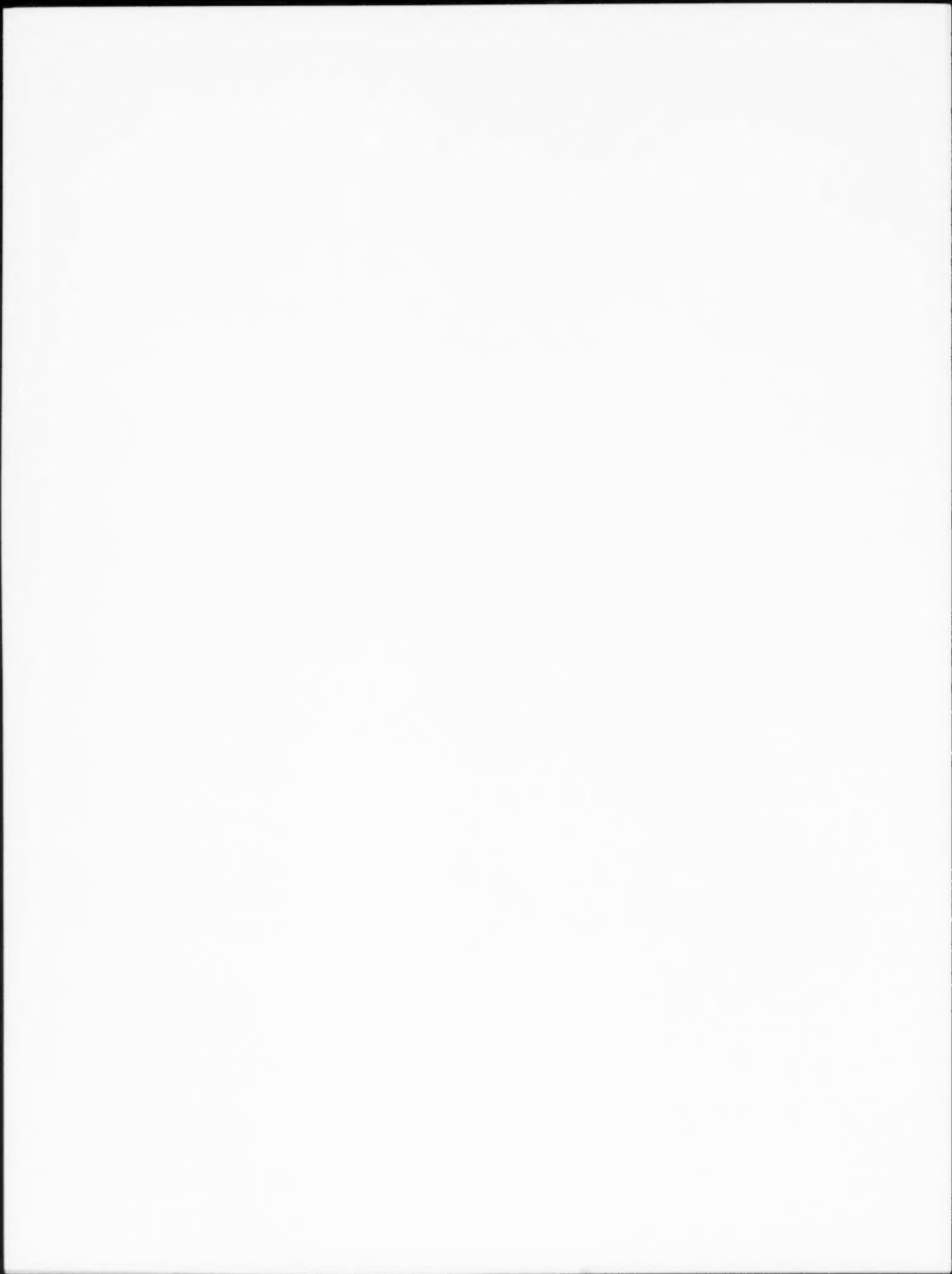
Ontario
Ministry
of Finance

Third Quarter
of 2002
(July, August, September)

Ontario Economic Accounts



Ontario



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January 2003
Third Quarter of 2002
(July, August, September)

Ontario Economic Accounts



Ontario Ministry of Finance

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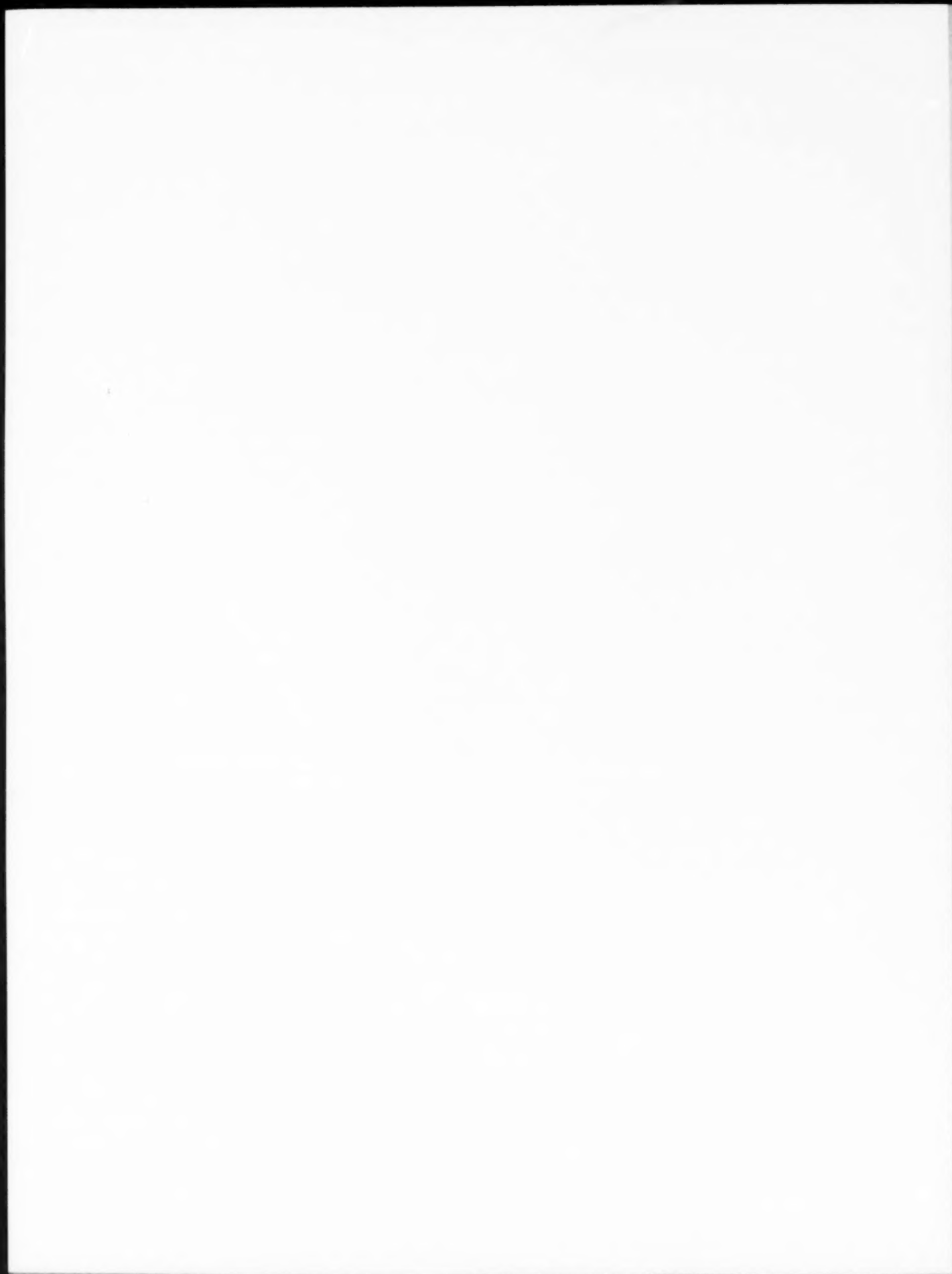
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Table of Contents

Third-Quarter Highlights: July-September 2002	1
Demand and Incomes	3
Ontario Production By Industry	6
Ontario Economic Accounts: Summary 1999:1-2002:3	12
List of Tables	15

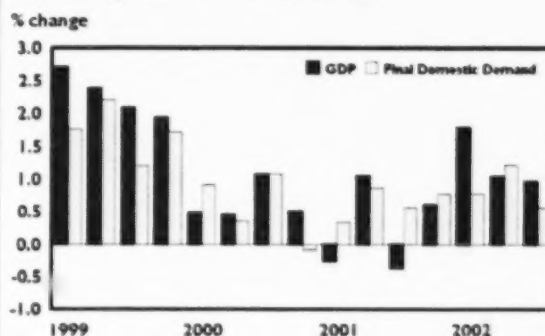


THIRD-QUARTER HIGHLIGHTS: JULY-SEPTEMBER 2002

OVERVIEW

- ❑ Ontario's **real GDP** increased by 1.0% (3.9% annualized) in the third quarter of 2002. This followed a similar second quarter advance of 1.0% (4.2% annualized).
- ❑ As in the first half of 2002, growth in the third quarter remained balanced with both domestic demand and net exports supporting the overall advance.
- ❑ **Real consumer spending** rose by 0.4% in the third quarter, and over the first nine months is 1.0% ahead of last year.
- ❑ **Residential construction** rose 2.3% in the third quarter, consolidating the stronger first half of 2002 gains.
- ❑ A 0.9% increase in **machinery and equipment investment** more than offset the 1.3% drop in **non-residential construction**, allowing total business investment to grow by 0.4%.
- ❑ Businesses continued to replenish **inventories** in the third quarter adding \$4.8 billion (1997 \$ basis) in stocks, the second consecutive quarter of stock accumulation.
- ❑ **Real exports** advanced a strong 2.4% in the third quarter, following gains of 2.5% and 0.9% in the first and second quarter respectively. Ontario exporters received a boost from a healthy third quarter jump in U.S. investment and consumer demand. U.S. GDP growth rose to a 4.0% annualized pace in the quarter.
- ❑ **Real imports** grew 1.9% in the third quarter, reflecting healthy domestic demand in Ontario.
- ❑ In current dollars, **nominal GDP** grew 1.5% in the third quarter to an annualized level of \$471.2 billion, following a 2.5% increase in the second quarter. Ontario accounted for 40.9% of Canadian nominal GDP in the third quarter.

Ontario Real GDP Growth Remains Strong in Third Quarter



- ❑ Prices, as measured by the **GDP price deflator**, rose by a modest 0.5% in the third quarter, following a 1.5% increase in the second quarter.
- ❑ **By industry**, gains were led by manufacturing (+1.1%), construction (+2.1%) and public administration (+6.5%).

ONTARIO ECONOMIC ACCOUNTS: HIGHLIGHTS

(% change from previous period)

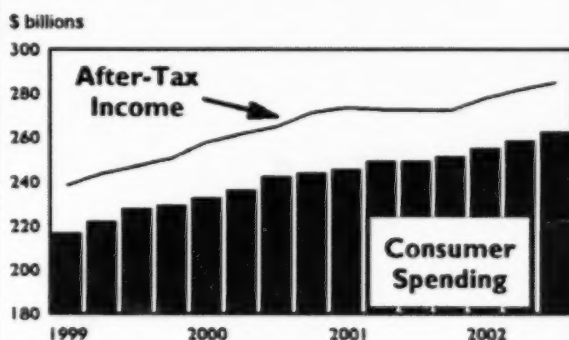
	2000	2001	2001:4	2002:1	2002:2	2002:3
Real GDP (\$ Chained 1997)	4.6	1.5	0.6	1.8	1.0	1.0
<i>(annualized rate on second line)</i>			2.4	7.4	4.2	3.9
Personal spending	4.4	2.3	1.1	0.9	0.9	0.4
Government spending	3.1	4.1	0.9	-0.3	0.9	0.8
Residential construction	5.3	2.4	3.9	4.8	1.7	2.3
Non-residential construction	-4.1	-1.2	-1.0	-2.4	-0.6	-1.3
Machinery & equipment	7.3	-3.1	-2.4	1.1	4.3	0.9
Exports	6.1	-3.3	-0.8	2.5	0.9	2.4
Imports	6.7	-5.3	-2.6	2.1	4.8	1.9
Business inventories (\$Chained 1997 billions)	2.6	-2.0	-6.4	-4.1	5.1	4.8
Nominal GDP (\$ Current)	6.0	2.4	-0.4	2.3	2.5	1.5
Corporation profits	0.4	-15.6	-10.8	11.3	7.3	4.0
Personal income	7.5	3.8	0.0	1.3	1.0	1.0
Disposable income	7.8	3.3	0.0	2.0	1.5	1.1
Prices GDP deflator	1.3	0.9	-1.0	0.5	1.5	0.5

DEMAND AND INCOMES

CONSUMER SPENDING GROWTH CONTINUES

Real consumer spending rose by 0.4% in the third quarter, following gains of 0.9% in both the first and second quarters. Growth was concentrated in services where spending rose 0.6%, while spending on goods inched up 0.1%. Gains in restaurants and accommodation spending along with increased health expenditures boosted outlays for services while weaker auto sales and falling tobacco sales dampened goods spending. Warmer-than-normal temperatures in September resulted in increased spending on electricity for air conditioning in the third quarter.

Spending Rises as Incomes Grow



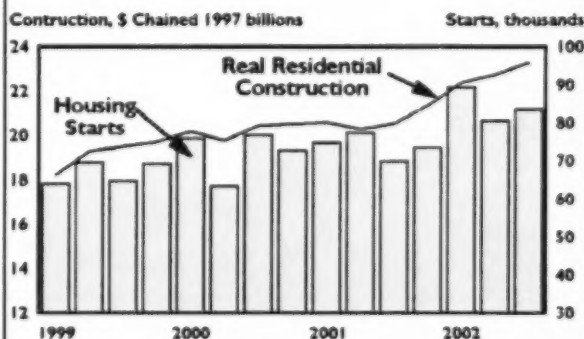
Personal disposable income rose by 1.1% in the third quarter, following advances of 2.0% and 1.5% in the first and second quarters of 2002. Labour income, the largest component of household income, increased 1.3%, contributing to the gain as did a 0.1% drop in personal direct taxes, the fourth consecutive drop in the last year. Ontario's **savings rate** was little changed, slipping slightly to 5.9% in the third quarter, from 6.2% over the second quarter.

HOUSING MARKET CONTINUES STRONG GROWTH

Residential construction continued its strong growth, rising 2.3% in the third quarter, the fifth consecutive quarterly advance. Over that period price-adjusted housing outlays have risen almost 15%. Increases in new housing construction and home renovations more than offset a decline in resale activity in the third quarter.

Ontario's housing starts were up 3.7% in the third quarter with the number of units hitting 83,600, the second-highest level of activity in over 12 years. The number of MLS resales dropped by 5.4% from the previous quarter.

Housing Activity



BUSINESS INVESTMENT POSTS MODEST GAINS

Real business plant and equipment investment moderated, advancing 0.4% in the third quarter of 2002, following a stronger 3.3% increase in the second quarter.

Real business spending on machinery and equipment was up 0.9% in the quarter, following a more robust 4.3% gain in the second quarter. Healthy investment gains were reported in cars, trucks and other transportation equipment. This, along with a modest improvement in capital spending on computers and other office equipment more than offset reduced investment on industrial machinery and telecommunications equipment. The third quarter gain pushed machinery and equipment investment to a level just 0.3% below its second quarter of 2000 peak.

Real non-residential construction expenditures fell 1.3% in the quarter, the fourth consecutive quarterly decline.

Pre-tax corporate profits continued their recovery from the fourth quarter 2001 trough, rising 4.0% in the third quarter, following first and second quarter gains of 11.3% and 7.3%. The third quarter gains were concentrated in the non-financial sector, with the manufacturing, wholesaling and retailing sectors all reporting higher profits, especially those involved in automobile production and distribution.

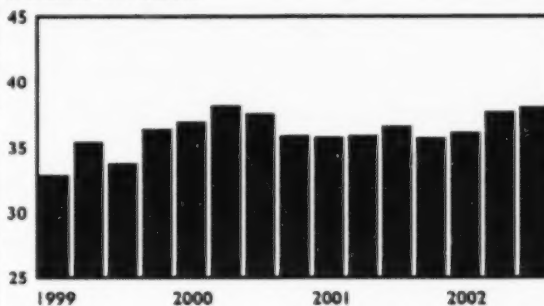
INVENTORY LEVELS RISE

Spurred by rising foreign and domestic demand, businesses continued rebuilding **real inventories** in the third quarter, adding over \$4.8 billion to total business stocks, on top of the \$5.1 billion accumulation in the second quarter.

Manufacturers, wholesalers and retailers all increased their inventories. The largest contributor was the rebuilding of motor vehicle stocks.

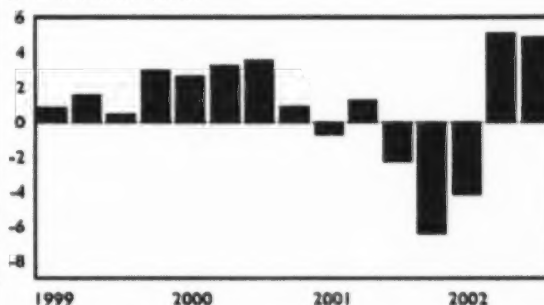
Machinery and Equipment Investment Strengthens in Third Quarter

\$ Chained 1997 billions



Inventory Accumulation

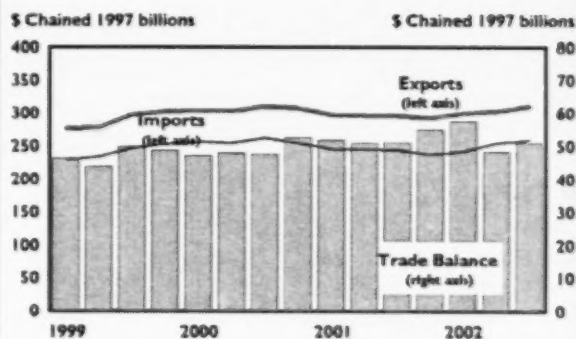
\$ Chained 1997 billions



EXPORTS GROW

Ontario's **real exports** (which include both international and interprovincial exports) advanced a strong 2.4% in the third quarter, following gains of 2.5% and 0.9% in the first and second quarters. The rebound in U.S. annualized growth from 1.3% in the second quarter to 4.0% in the third quarter contributed to Ontario's faster export growth. Strong U.S. consumer spending for motor vehicles and parts boosted auto-related exports while a surge in equipment and software investment in the U.S. underpinned gains in machinery and equipment exports.

External Trade Balance



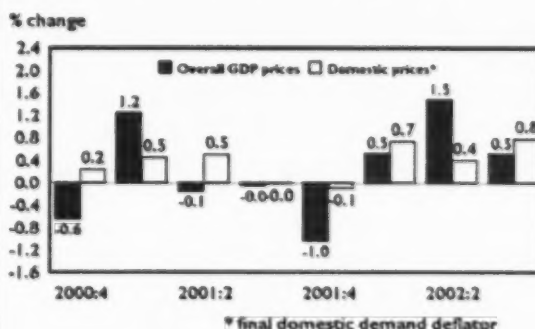
Real imports grew 1.9% in the third quarter following a 4.8% increase in the second quarter. The slower growth, reflected more modest domestic demand, with consumer spending and business investment growth moderating from earlier in the year. One of the main drivers of Ontario import growth was auto part imports which were needed by Ontario's surging motor vehicle manufacturing sector.

INFLATION EASES IN THIRD QUARTER

Average prices, as measured by the **GDP price deflator**, rose a modest 0.5% in the third quarter, decelerating from the 1.5% second quarter pace.

Higher prices were recorded for consumer (+1.1%) and government (+0.4%) spending, housing (+0.7%), and non-residential construction (+0.4%). Export (+0.6%) and import (+0.9%) prices also advanced in the third quarter, reflecting primarily higher energy prices. A drop in machinery and equipment prices (-0.4%) moderated the overall price increase.

Inflation Eases in Third Quarter



ONTARIO PRODUCTION BY INDUSTRY

INDUSTRIAL PRODUCTION IN THE THIRD QUARTER

Ontario's industrial output continued to grow in the third quarter of 2002, with output rising 1.0% (3.9% annualized), following a 0.8% gain in the second quarter. The latest gain marks the first four-quarter string of growth since the end of 2000.

Solid growth in manufacturing (+1.1%) and construction (+2.1%) marked this quarter. A substantial rebound in public administration output (+6.5%) following the Ontario Public Service strike also contributed to the third quarter gain.

These gains were partially offset by declines in the primary sector (-2.4%) and in utilities output (-2.2%).

ONTARIO OUTPUT BY SECTOR

(% change from previous period, \$ 1997)

	2000	2001	2001:4	2002:1	2002:2	2002:3
Goods Sector	3.9	-3.5	-0.3	3.3	0.6	0.8
Primary Industries	-1.7	-5.1	-0.3	-3.9	0.7	-2.4
Manufacturing	4.3	-5.6	-1.2	4.4	1.4	1.1
Construction	4.5	5.4	2.1	2.7	-2.4	2.1
Utilities	4.1	-0.7	1.6	0.6	0.3	-2.2
Service Sector	5.2	3.4	0.7	1.1	0.9	1.0
Transportation and Warehousing	4.5	-2.1	-0.2	0.6	1.2	0.1
Wholesale and Retail Trade	6.5	1.8	0.7	2.7	1.3	0.2
Finance, Insurance and Real Estate	4.5	3.7	1.1	1.1	1.0	0.7
Information and Cultural Industries	13.6	10.3	3.1	2.5	2.1	1.2
Public Administration	3.1	4.1	0.5	-1.1	-1.3	6.5
Ontario Output at Basic Prices (\$1997)	4.8	1.2	0.4	1.8	0.8	1.0
(annualized rate on second line)			1.7	7.3	3.2	3.9

Note: Real Output by sector continues to be based on a Laspeyres price index. Statistics Canada plans to release real output by sector on a chain Fisher basis in the fall of 2003.

MANUFACTURING RISES AS AUTO OUTPUT JUMPS

Manufacturing output grew a solid 1.1% in the third quarter, continuing its strong average growth of 2.9% over the first half of the year.

Autos, which represent about 20 per cent of Ontario's manufacturing output, contributed most of the growth. Motor vehicle manufacturing jumped 10.2%, driven by a surge in exports to the United States. Output of auto parts producers rose 1.4%.

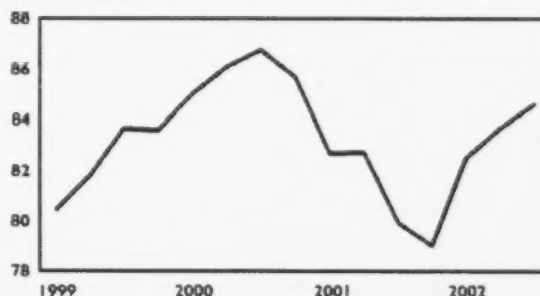
Other gains in manufacturing took place in chemicals (+2.5%) and wood products (+5.9%).

Output losses were recorded in electrical and electronic products (-4.4%), primary and fabricated metals (-1.1%) and printing (-2.9%).

Over the first three quarters of 2002, Ontario's manufacturing sector generated more than 80,000 net new jobs, representing nearly 70% of total job creation in Ontario over this period.

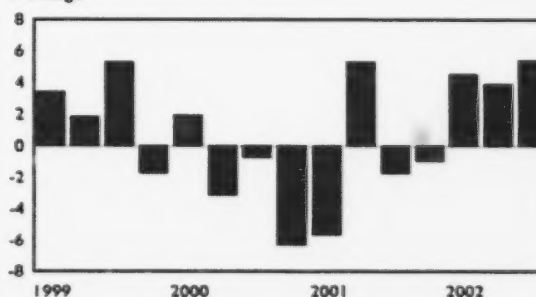
Total Manufacturing Output

\$ 1997 billions



Motor Vehicle and Parts Output

% change

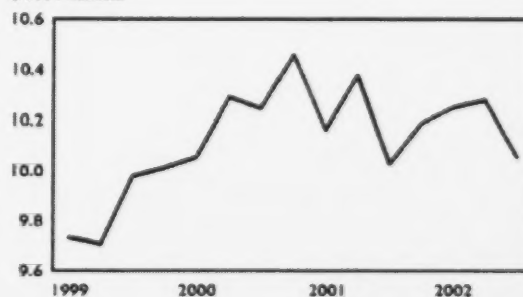


UTILITIES OUTPUT DOWN

The output of the utility sector fell 2.2% in the third quarter, following a 0.3% gain in the second quarter. Output of both electric power generation (-1.5%) and gas distribution (-5.7%) industries declined in the third quarter.

Utilities Output

\$ 1997 billions

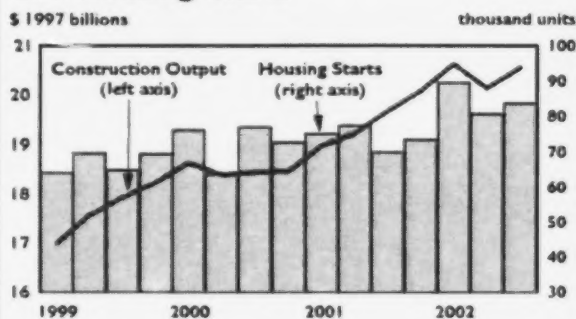


HOUSING SECTOR IN HIGH GEAR

Construction activity rose 2.1% in the third quarter, almost erasing the second quarter's -2.4% loss. Residential construction output rose 6.7%, maintaining a pace not seen since the late eighties. Residential construction has grown more than 40% over the last four years. The residential construction jump matched the increase in housing starts, which are now near the first quarter's recent 12-year peak.

Non-residential construction (including engineering) fell for a third consecutive quarter, down 0.7%.

Construction Output and Housing Starts



WHOLESALE AND RETAIL TRADE STEADY

Wholesale and retail trade output inched up 0.2%, following two quarters of strong growth. Wholesale trade was virtually flat (+0.1%) while retail trade rose 0.4%. Higher demand for household-related items was offset by lower demand for other goods.

Wholesale and Retail Trade Output

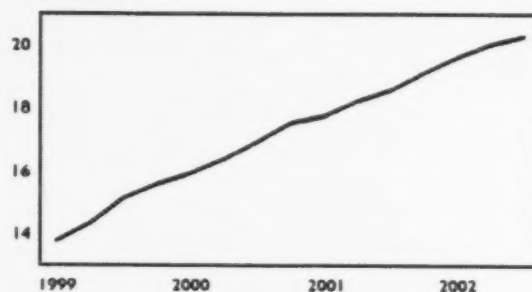


STRONG INFORMATION AND COMMUNICATIONS

Production by information and cultural industries rose 1.2%, following a 2.1% gain in the second quarter. This sector, propelled by increased use of mobile communications and the internet, has been experiencing uninterrupted growth since the middle of 1998.

Information and Cultural Output

\$ 1997 billions



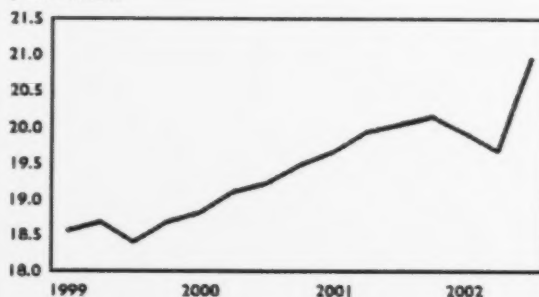
PUBLIC SECTOR REBOUNDS

Public administration output rose 6.5% in the third quarter, following two quarterly losses. Ignoring the temporary impact of the Ontario government employees 54-day strike, public sector output has grown 1.3% per quarter on average since the fourth quarter of 2001.

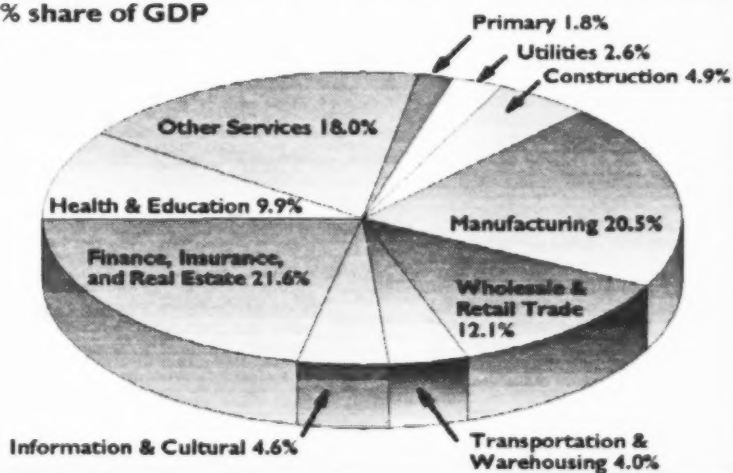
The end of the strike helped provincial government output jump 24.9%, contributing more than one-quarter of total output growth for Ontario in the third quarter.

Public Administration Output

\$ 1997 billions

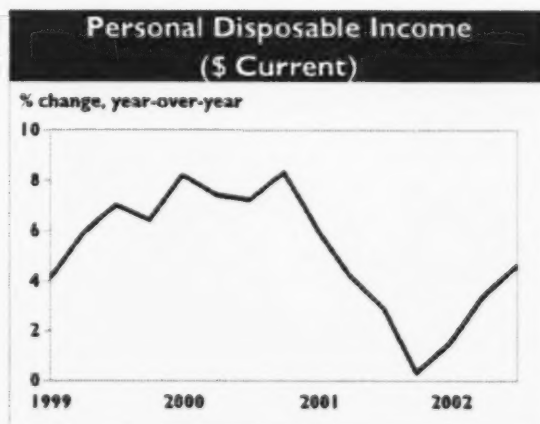
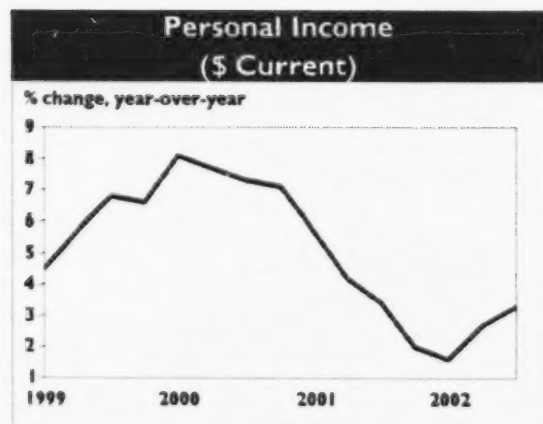
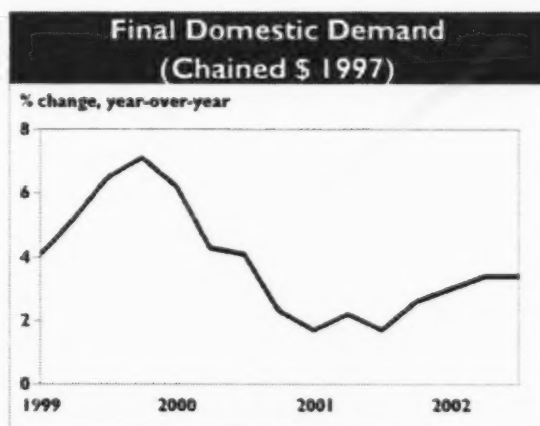
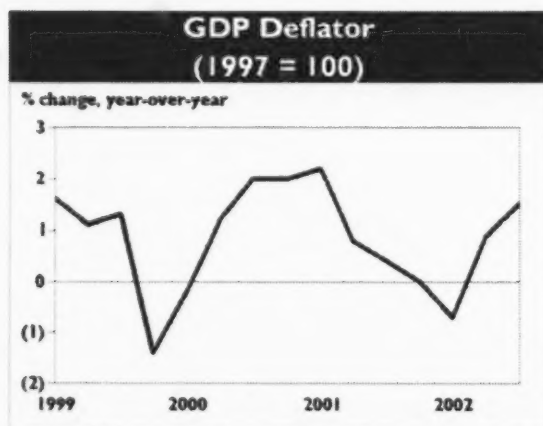
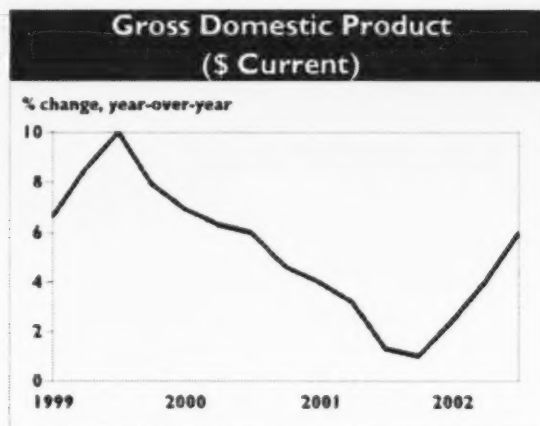
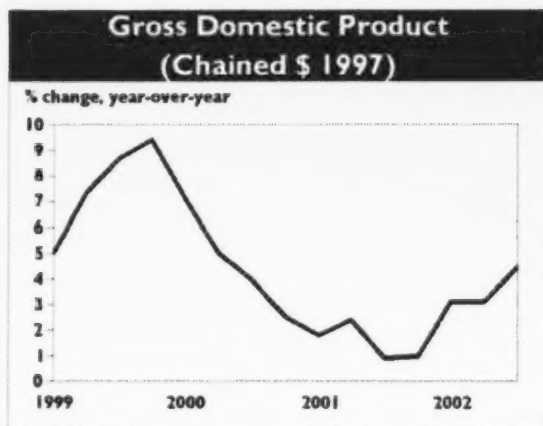


Structure of the Ontario Economy, 2001
% share of GDP



ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2002:3)

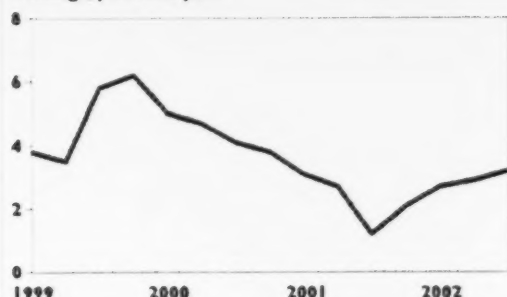


ONTARIO ECONOMIC ACCOUNTS: SUMMARY

(1999:1 - 2002:3)

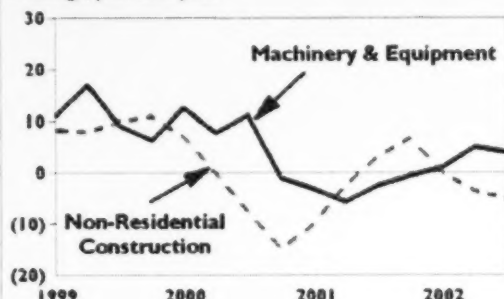
Consumer Spending
(Chained \$ 1997)

% change, year-over-year



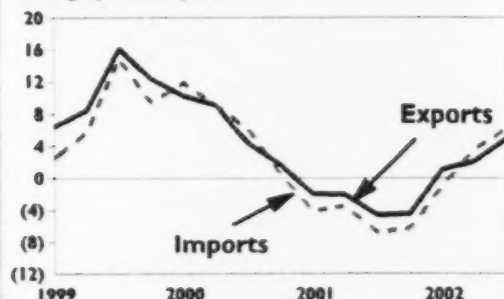
Business Plant & Equipment
(Chained \$ 1997)

% change, year-over-year



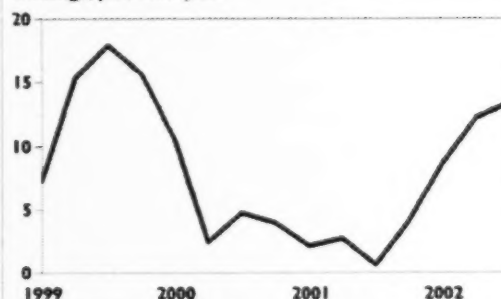
Trade
(Chained \$ 1997)

% change, year-over-year



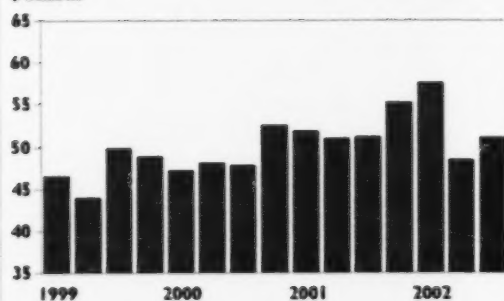
Residential Construction
(Chained \$ 1997)

% change, year-over-year



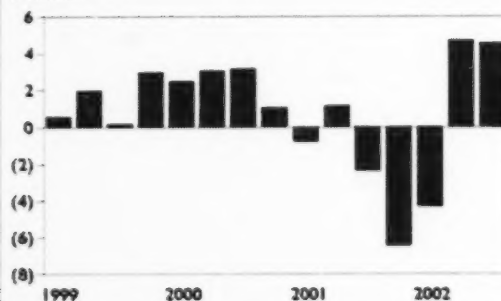
Net Exports
(Chained \$ 1997)

\$ billions



Change in Inventories
(Chained \$ 1997)

\$ billions



LIST OF TABLES

INCOME AND EXPENDITURE DATA

Quarterly Data, 1999:1–2002:3

Table 1: Ontario Gross Domestic Product (Income-Based)	16
Table 2: Ontario Gross Domestic Product (Expenditure-Based)	18
Table 3: Ontario Gross Domestic Product at Chained 1997 Prices	20
Table 4: Sources and Disposition of Ontario Personal Income	22
Table 5: Ontario Trade	24
Table 6: Ontario Deflators	26

Annual Data, 1998–2001

Table 7: Ontario Gross Domestic Product (Income-Based)	28
Table 8: Ontario Gross Domestic Product (Expenditure-Based)	29
Table 9: Ontario Gross Domestic Product at Chained 1997 Prices	30
Table 10: Sources and Disposition of Ontario Personal Income	31
Table 11: Ontario Trade	32
Table 12: Ontario Deflators	33

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

Table 13: Quarterly Data, 1999:1 - 2002:3	34
Table 14: Annual Data, 1998-2001	36

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted at annual rates, millions of dollars

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Wages, salaries and supplementary labour income (domestic basis)	208,335 2.2	213,087 2.3	216,383 1.5	220,336 1.8	226,802 2.9	233,165 2.8	236,520 1.4	239,062 1.1
2. Corporation profits before taxes	47,481 7.7	48,109 1.3	50,835 5.7	50,567 -0.5	50,029 -1.1	49,700 -0.7	49,435 -0.5	48,600 -1.7
3. Interest and miscellaneous investment income	17,771 -5.0	17,180 -3.3	17,412 1.4	17,364 -0.3	17,989 3.6	17,778 -1.2	18,021 1.4	17,332 -3.8
4. Accrued net income of farm operators from farm production	110 150.2	230 108.3	263 14.4	321 22.3	332 3.2	299 -10.0	221 -26.1	221 0.0
5. Net income of non-farm unincorporated business including rent	24,726 2.7	25,441 2.9	26,250 3.2	26,815 2.2	26,742 -0.3	27,042 1.1	27,363 1.2	27,654 1.1
6. Inventory valuation adjustment	-407	-32	-1,998	-1,847	-1,821	-1,065	137	-2,671
7. Net Domestic Income at factor cost	298,017 3.2	304,014 2.0	309,145 1.7	313,556 1.4	320,072 2.1	326,917 2.1	331,696 1.5	330,198 -0.5
8. Indirect taxes less subsidies	52,393 1.2	54,209 3.5	55,899 3.1	56,931 1.8	56,242 -1.2	56,503 0.5	57,251 1.3	57,739 0.9
9. Capital consumption allowances and miscellaneous valuation adjustments	47,366 -0.1	48,270 1.9	48,525 0.5	48,070 -0.9	48,718 1.3	48,854 0.3	49,587 1.5	50,005 0.8
10. Gross Domestic Product at market prices	397,776 2.5 10.4	406,493 2.2 9.1	413,569 1.7 7.1	418,558 1.2 4.9	425,032 1.5 6.3	432,274 1.7 7.0	438,534 1.4 5.9	437,943 -0.1 -0.5

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 1

Seasonally adjusted at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (domestic basis)	242,326 1.4	244,075 0.7	244,585 0.2	245,246 0.3	249,413 1.7	253,115 1.5	256,382 1.3	-
2. Corporation profits before taxes	46,299 -4.7	46,012 -0.6	39,465 -14.2	35,191 -10.8	39,168 11.3	42,027 7.3	43,708 4.0	-
3. Interest and miscellaneous investment income	17,995 3.8	17,453 -3.0	16,814 -3.7	16,390 -2.5	16,751 2.2	17,186 2.6	17,324 0.8	-
4. Accrued net income of farm operators from farm production	422 91.0	464 9.9	594 28.1	452 -23.9	393 -13.2	356 -9.3	348 -2.2	-
5. Net income of non-farm unincorporated business including rent	27,540 -0.4	27,827 1.0	28,407 2.1	29,010 2.1	29,909 3.1	30,687 2.6	31,516 2.7	-
6. Inventory valuation adjustment	-807	172	546	449	-1,791	-146	-1,348	-
7. Net Domestic Income at factor cost	333,774 1.1	336,003 0.7	330,413 -1.7	326,739 -1.1	333,842 2.2	343,225 2.8	347,930 1.4	-
8. Indirect taxes less subsidies	56,956 -1.4	58,201 2.2	60,366 3.7	60,956 1.0	62,724 2.9	63,916 1.9	65,031 1.7	-
9. Capital consumption allowances and miscellaneous valuation adjustments	51,513 3.0	52,041 1.0	53,628 3.1	54,819 2.2	56,244 2.6	57,144 1.6	58,198 1.8	-
10. Gross Domestic Product at market prices	442,243 1.0 4.0	446,242 0.9 3.7	444,407 -0.4 -1.6	442,514 -0.4 -1.7	452,810 2.3 9.6	464,285 2.5 10.5	471,160 1.5 6.1	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted at annual rates, millions of dollars

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Personal expenditure on consumer goods and services:	216,730 2.0	221,834 2.4	227,786 2.7	229,257 0.6	232,760 1.5	236,024 1.4	242,331 2.7	244,117 0.7
2. Goods	96,423 3.0	99,457 3.1	102,707 3.3	102,993 0.3	104,851 1.8	106,111 1.2	109,261 3.0	109,590 0.3
3. Services	120,307 1.3	122,377 1.7	125,079 2.2	126,264 0.9	127,909 1.3	129,914 1.6	133,070 2.4	134,527 1.1
4. Government expenditure on goods and services:	74,417 2.2	75,334 1.2	76,336 1.3	77,815 1.9	78,474 0.8	80,420 2.5	81,868 1.8	81,898 0.0
5. Current expenditure	66,274 1.8	66,832 0.8	67,641 1.2	68,770 1.7	69,282 0.7	71,487 3.2	72,679 1.7	72,637 -0.1
6. Capital expenditure	8,142 6.0	8,502 4.4	8,696 2.3	9,044 4.0	9,193 1.6	8,934 -2.8	9,189 2.9	9,261 0.8
7. Business gross fixed capital formation:	63,079 1.2	66,547 5.5	65,336 -1.8	68,066 4.2	69,685 2.4	70,165 0.7	69,973 -0.3	68,752 -1.7
8. Residential construction	18,732 7.6	20,276 8.2	20,646 1.8	20,890 1.2	21,687 3.8	21,056 -2.9	22,116 5.0	22,466 1.6
9. Non-residential construction	11,075 3.5	11,359 2.6	11,656 2.6	12,063 3.5	12,173 0.9	11,832 -2.8	11,270 -4.7	10,981 -2.6
10. Machinery and equipment	33,272 -2.8	34,912 4.9	33,034 -5.4	35,114 6.3	35,825 2.0	37,278 4.1	36,588 -1.9	35,305 -3.5
11. Exports of goods and services	280,398 1.9	278,853 -0.6	299,485 7.4	307,130 2.6	310,988 1.3	311,451 0.1	317,562 2.0	319,019 0.5
12. DEDUCT: Imports of goods and services	236,856 -0.3	237,719 0.4	255,627 7.5	264,481 3.5	268,383 1.5	269,866 0.6	277,476 2.8	278,000 0.2
13. Value of physical change in inventories:	-1,832	1,437	1,144	1,978	1,589	2,627	2,343	305
14. Non-farm	-1,721	1,379	1,361	2,153	1,914	2,769	2,605	337
15. Farm and grain in commercial channels	-111	59	-217	-174	-325	-142	-262	-32
16. Statistical discrepancy	1,841	208	-892	-1,207	-82	1,453	1,932	1,852
17. Gross Domestic Product at market prices	397,776 2.5 10.4	406,493 2.2 9.1	413,569 1.7 7.1	418,558 1.2 4.9	425,032 1.5 6.3	432,274 1.7 7.0	438,534 1.4 5.9	437,943 -0.1 -0.5
18. Final domestic demand	354,226 1.9	363,715 2.7	369,459 1.6	375,138 1.5	380,919 1.5	386,610 1.5	394,173 2.0	394,767 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 2

Seasonally adjusted at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	245,873 0.7	249,301 1.4	249,466 0.1	251,469 0.8	254,838 1.3	258,738 1.5	262,526 1.5	-
2. Goods	110,213 0.6	112,338 1.9	111,318 -0.9	113,108 1.6	115,370 2.0	115,998 0.5	118,017 1.7	-
3. Services	135,661 0.8	136,963 1.0	138,148 0.9	138,362 0.2	139,469 0.8	142,739 2.3	144,509 1.2	-
4. Government expenditure on goods and services:	82,739 1.0	83,973 1.5	85,447 1.8	86,420 1.1	86,446 0.0	87,630 1.4	88,665 1.2	-
5. Current expenditure	72,956 0.4	73,877 1.3	75,120 1.7	75,431 0.4	75,205 -0.3	76,197 1.3	77,226 1.4	-
6. Capital expenditure	9,783 5.6	10,096 3.2	10,327 2.3	10,989 6.4	11,242 2.3	11,433 1.7	11,439 0.1	-
7. Business gross fixed capital formation:	69,283 0.8	70,070 1.1	70,672 0.9	70,455 -0.3	73,228 3.9	74,869 2.2	75,750 1.2	-
8. Residential construction	22,546 0.4	22,516 -0.1	22,969 2.0	24,249 5.6	25,928 6.9	26,428 1.9	27,228 3.0	-
9. Non-residential construction	11,435 4.1	11,817 3.3	11,862 0.4	11,722 -1.2	11,523 -1.7	11,504 -0.2	11,401 -0.9	-
10. Machinery and equipment	35,301 -0.0	35,738 1.2	35,840 0.3	34,485 -3.8	35,778 3.8	36,937 3.2	37,122 0.5	-
11. Exports of goods and services	312,638 -2.0	310,542 -0.7	306,218 -1.4	300,347 -1.9	310,741 3.5	314,321 1.2	323,938 3.1	-
12. DEDUCT: Imports of goods and services	269,375 -3.1	268,814 -0.2	264,242 -1.7	256,205 -3.0	265,042 3.4	274,212 3.5	281,863 2.8	-
13. Value of physical change in inventories:	-1,670	-447	-2,648	-8,071	-6,369	3,658	3,130	-
14. Non-farm	-1,604	-241	-2,468	-7,872	-6,135	3,827	3,504	-
15. Farm and grain in commercial channels	-67	-206	-179	-200	-234	-169	-374	-
16. Statistical discrepancy	2,755	1,617	-507	-1,901	-1,034	-719	-986	-
17. Gross Domestic Product at market prices	442,243 1.0 4.0	446,242 0.9 3.7	444,407 -0.4 -1.6	442,514 -0.4 -1.7	452,810 2.3 9.6	464,285 2.5 10.5	471,160 1.5 6.1	-
18. Final domestic demand	397,895 0.8	403,344 1.4	405,585 0.6	408,344 0.7	414,513 1.5	421,237 1.6	426,941 1.4	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 3

Seasonally adjusted at annual rates, millions of chained (1997) dollars

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Personal expenditure on consumer goods and services:	212,151 2.0	215,183 1.4	219,912 2.2	220,903 0.5	222,845 0.9	225,351 1.1	228,979 1.6	229,337 0.2
2. Goods	95,305 2.9	96,944 1.7	99,739 2.9	100,057 0.3	100,893 0.8	101,984 1.1	104,070 2.0	103,269 -0.8
3. Services	116,875 1.2	118,282 1.2	120,230 1.6	120,921 0.6	122,035 0.9	123,457 1.2	125,000 1.3	126,180 0.9
4. Government expenditure on goods and services:	73,369 2.5	74,119 1.0	74,844 1.0	76,712 2.5	77,288 0.8	75,978 -1.7	76,916 1.2	78,259 1.7
5. Current expenditure	65,101 2.2	65,515 0.6	66,135 0.9	67,738 2.4	68,273 0.8	67,149 -1.6	67,880 1.1	69,254 2.0
6. Capital expenditure	8,234 5.6	8,595 4.4	8,720 1.5	9,006 3.3	9,037 0.3	8,833 -2.3	9,032 2.3	8,984 -0.5
7. Business gross fixed capital formation:	61,800 0.2	65,627 6.2	64,500 -1.7	67,745 5.0	68,599 1.3	68,764 0.2	68,211 -0.8	66,182 -3.0
8. Residential construction	18,249 6.9	19,290 5.7	19,507 1.1	19,732 1.2	20,168 2.2	19,763 -2.0	20,432 3.4	20,512 0.4
9. Non-residential construction	10,719 2.4	10,911 1.8	11,202 2.7	11,609 3.6	11,481 -1.1	10,899 -5.1	10,336 -5.2	9,895 -4.3
10. Machinery and equipment	32,874 -3.8	35,417 7.7	33,785 -4.6	36,337 7.6	36,943 1.7	38,147 3.3	37,537 -1.6	35,921 -4.3
11. Exports of goods and services	276,111 2.6	278,448 0.8	297,375 6.8	302,324 1.7	303,950 0.5	303,367 -0.2	310,573 2.4	307,173 -1.1
12. DEDUCT: Imports of goods and services	229,556 -1.0	234,496 2.2	247,474 5.5	253,442 2.4	256,730 1.3	255,282 -0.6	262,717 2.9	254,594 -3.1
13. Value of physical change in inventories:	544	1,947	174	2,946	2,448	3,026	3,138	1,003
14. Non-farm	811	1,503	442	2,936	2,637	3,190	3,506	867
15. Farm and grain in commercial channels	-272	441	-270	10	-194	-174	-381	118
16. Statistical discrepancy	-1,810	889	522	351	1,369	674	1,539	1,494
17. Gross Domestic Product at market prices	392,173 2.7 11.3	401,515 2.4 9.9	409,890 2.1 8.6	417,830 1.9 8.0	419,848 0.5 1.9	421,778 0.5 1.9	426,310 1.1 4.4	428,448 0.5 2.0
18. Final domestic demand	347,258 1.8	354,917 2.2	359,217 1.2	365,376 1.7	368,737 0.9	370,067 0.4	374,066 1.1	373,738 -0.1

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED**TABLE 3***Seasonally adjusted at annual rates. millions of chained (1997) dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	229,864 0.2	231,407 0.7	231,639 0.1	234,083 1.1	236,106 0.9	238,157 0.9	239,039 0.4	-
2. Goods	103,270 0.0	104,155 0.9	103,831 -0.3	106,597 2.7	108,339 1.6	107,744 -0.5	107,850 0.1	-
3. Services	126,731 0.4	127,396 0.5	127,958 0.4	127,623 -0.3	127,876 0.2	130,542 2.1	131,309 0.6	-
4. Government expenditure on goods and services:	78,633 0.5	80,032 1.8	80,829 1.0	81,566 0.9	81,351 -0.3	82,081 0.9	82,704 0.8	-
5. Current expenditure	69,058 -0.3	70,167 1.6	70,719 0.8	70,816 0.1	70,505 -0.4	71,052 0.8	71,724 0.9	-
6. Capital expenditure	9,543 6.2	9,862 3.3	10,134 2.8	10,761 6.2	10,856 0.9	11,041 1.7	10,991 -0.4	-
7. Business gross fixed capital formation:	66,546 0.5	66,825 0.4	67,892 1.6	67,697 -0.3	68,869 1.7	70,764 2.8	71,490 1.0	-
8. Residential construction	20,590 0.4	20,291 -1.5	20,554 1.3	21,349 3.9	22,378 4.8	22,764 1.7	23,282 2.3	-
9. Non-residential construction	10,298 4.1	10,623 3.2	10,652 0.3	10,544 -1.0	10,292 -2.4	10,235 -0.6	10,102 -1.3	-
10. Machinery and equipment	35,746 -0.5	35,917 0.5	36,602 1.9	35,711 -2.4	36,111 1.1	37,677 4.3	38,017 0.9	-
11. Exports of goods and services	297,866 -3.0	297,045 -0.3	295,858 -0.4	293,403 -0.8	300,700 2.5	303,406 0.9	310,669 2.4	-
12. DEDUCT: Imports of goods and services	245,934 -3.4	246,049 0.0	244,667 -0.6	238,242 -2.6	243,200 2.1	254,877 4.8	259,600 1.9	-
13. Value of physical change in inventories:	-753	1,102	-2,362	-6,455	-4,315	4,689	4,514	-
14. Non-farm	-726	1,218	-2,245	-6,408	-4,129	5,075	4,822	-
15. Farm and grain in commercial channels	-46	-134	-135	-65	-204	-404	-326	-
16. Statistical discrepancy	391	820	405	284	474	372	73	-
17. Gross Domestic Product at market prices	427,313 -0.3 -1.1	431,760 1.0 4.2	430,163 -0.4 -1.5	432,768 0.6 2.4	440,513 1.8 7.4	445,083 1.0 4.2	449,374 1.0 3.9	-
18. Final domestic demand	375,011 0.3	378,242 0.9	380,386 0.6	383,337 0.8	386,301 0.8	390,996 1.2	393,217 0.6	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Wages, salaries and supplementary labour income (national basis)	206,046 2.4	210,875 2.3	214,127 1.5	218,069 1.8	223,921 2.7	230,102 2.8	233,234 1.4	235,711 1.1
2. Net income of farm operators from farm production	110 150.2	230 108.3	263 14.4	321 22.3	332 3.2	299 -10.0	221 -26.1	221 0.0
3. Net income of non-farm unincorporated business including rent	24,726 2.7	25,441 2.9	26,250 3.2	26,815 2.2	26,742 -0.3	27,042 1.1	27,363 1.2	27,654 1.1
4. Interest, dividends and miscellaneous investment income	44,245 -0.8	44,397 0.3	44,849 1.0	44,958 0.2	46,109 2.6	46,676 1.2	47,072 0.8	48,979 4.1
5. Current transfers from government, corporations and non-residents	39,343 -1.3	39,429 0.2	39,733 0.8	39,972 0.6	42,683 6.8	40,783 -4.5	40,923 0.3	40,887 -0.1
6. Equals: Personal income	314,469 1.5	320,370 1.9	325,222 1.5	330,135 1.5	339,786 2.9	344,902 1.5	348,814 1.1	353,451 1.3
7. Deduct: Personal direct taxes	55,913 2.2	56,334 0.8	57,329 1.8	58,208 1.5	59,435 2.1	60,308 1.5	60,609 0.5	58,288 -3.8
8. Other current transfers to government	20,070 2.8	20,411 1.7	20,739 1.6	21,205 2.2	22,375 5.5	22,852 2.1	23,284 1.9	23,609 1.4
9. Equals: Personal disposable income	238,486 1.2	243,625 2.2	247,154 1.4	250,723 1.4	257,977 2.9	261,742 1.5	264,921 1.2	271,554 2.5
10. Deduct: Personal expenditure on consumer goods and services	216,730 2.0	221,834 2.4	227,786 2.7	229,257 0.6	232,760 1.5	236,024 1.4	242,331 2.7	244,117 0.7
11. Current transfers to corporations	3,830 5.2	3,904 1.9	4,225 8.2	4,330 2.5	4,348 0.4	4,634 6.6	4,852 4.7	5,102 5.1
12. Current transfers to non-residents	551 -0.2	563 2.2	583 3.5	599 2.7	574 -4.1	586 2.1	596 1.5	604 1.4
13. Equals: Personal saving	17,376 -8.2	17,323 -0.3	14,560 -16.0	16,537 13.6	20,295 22.7	20,497 1.0	17,141 -16.4	21,732 26.8
14. Personal savings rate	7.3	7.1	5.9	6.6	7.9	7.8	6.5	8.0

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 4

Seasonally adjusted at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Wages, salaries and supplementary labour income (national basis)	239,157 1.5	240,846 0.7	241,344 0.2	241,844 0.2	245,953 1.7	249,603 1.5	252,826 1.3	-
2. Net income of farm operators from farm production	422 91.0	464 9.9	594 28.1	452 -23.9	393 -13.2	356 -9.3	348 -2.2	-
3. Net income of non-farm unincorporated business including rent	27,540 -0.4	27,827 1.0	28,407 2.1	29,010 2.1	29,909 3.1	30,687 2.6	31,516 2.7	-
4. Interest, dividends and miscellaneous investment income	47,770 -2.5	47,229 -1.1	46,670 -1.2	45,359 -2.8	44,271 -2.4	43,695 -1.3	43,083 -1.4	-
5. Current transfers from government, corporations and non-residents	44,397 8.6	42,943 -3.3	43,589 1.5	43,843 0.6	44,676 1.9	44,497 -0.4	44,675 0.4	-
6. Equals: Personal income	359,286 1.7	359,309 0.0	360,604 0.4	360,509 -0.0	365,201 1.3	368,839 1.0	372,448 1.0	-
7. Deduct: Personal direct taxes	61,211 5.0	61,790 0.9	62,970 1.9	62,677 -0.5	61,487 -1.9	60,564 -1.5	60,504 -0.1	-
8. Other current transfers to government	24,432 3.5	24,671 1.0	25,082 1.7	25,359 1.1	25,892 2.1	26,254 1.4	26,753 1.9	-
9. Equals: Personal disposable income	273,644 0.8	272,848 -0.3	272,552 -0.1	272,472 -0.0	277,823 2.0	282,020 1.5	285,191 1.1	-
10. Deduct: Personal expenditure on consumer goods and services	245,873 0.7	249,301 1.4	249,466 0.1	251,469 0.8	254,838 1.3	258,738 1.5	262,526 1.5	-
11. Current transfers to corporations	5,363 5.1	5,479 2.2	5,544 1.2	5,670 2.3	5,301 -6.5	5,185 -2.2	5,226 0.8	-
12. Current transfers to non-residents	628 4.1	688 9.5	716 4.0	723 1.1	673 -7.0	725 7.8	727 0.2	-
13. Equals: Personal saving	21,779 0.2	17,380 -20.2	16,826 -3.2	14,609 -13.2	17,010 16.4	17,373 2.1	16,712 -3.8	-
14. Personal savings rate	8.0	6.4	6.2	5.4	6.1	6.2	5.9	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO TRADE**TABLE 5***Seasonally adjusted at annual rates, millions of dollars*

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Exports of Goods and Services	280,398 1.9	278,853 -0.6	299,485 7.4	307,130 2.6	310,988 1.3	311,451 0.1	317,562 2.0	319,019 0.5
2. Of Which: International	210,149 2.2	206,823 -1.6	220,051 6.4	225,826 2.6	231,902 2.7	234,079 0.9	236,422 1.0	241,678 2.2
3. Of Which: Interprovincial	70,249 0.9	72,030 2.5	79,435 10.3	81,303 2.4	79,086 -2.7	77,372 -2.2	81,140 4.9	77,342 -4.7
4. Imports of Goods and Services	236,856 -0.3	237,719 0.4	255,627 7.5	264,481 3.5	268,383 1.5	269,866 0.6	277,476 2.8	278,000 0.2
5. Trade Balance	43,542	41,133	43,858	42,648	42,605	41,585	40,086	41,020

*Notes: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.*

ONTARIO TRADE**TABLE 5***Seasonally adjusted at annual rates, millions of dollars*

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Exports of Goods and Services	312,638 -2.0	310,542 -0.7	306,218 -1.4	300,347 -1.9	310,741 3.5	314,321 1.2	323,938 3.1	- -
2. Of Which: International	233,123 -3.5	229,115 -1.7	222,252 -3.0	216,547 -2.6	224,678 3.8	226,588 0.9	234,626 3.5	- -
3. Of Which: Interprovincial	79,514 2.8	81,427 2.4	83,966 3.1	83,801 -0.2	86,063 2.7	87,733 1.9	89,312 1.8	- -
4. Imports of Goods and Services	269,375 -3.1	268,814 -0.2	264,242 -1.7	256,205 -3.0	265,042 3.4	274,212 3.5	281,863 2.8	- -
5. Trade Balance	43,263	41,728	41,976	44,142	45,699	40,109	42,075	-

*Notes: Per cent change from previous quarter at quarterly rates is given on the second line.**Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.*

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT
1997 = 100

TABLE 6

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Personal expenditure on consumer goods and services:	102.2 0.1	103.1 0.9	103.6 0.5	103.8 0.2	104.4 0.6	104.7 0.3	105.8 1.0	106.4 0.6
2. Goods	101.2 0.1	102.6 1.4	103.0 0.4	102.9 -0.0	103.9 1.0	104.0 0.1	105.0 0.9	106.1 1.1
3. Services	102.9 0.1	103.5 0.5	104.0 0.6	104.4 0.4	104.8 0.4	105.2 0.4	106.5 1.2	106.6 0.2
4. Government expenditure on goods and services:	101.4 -0.3	101.6 0.2	102.0 0.3	101.4 -0.5	101.5 0.1	105.8 4.2	106.4 0.6	104.6 -1.7
5. Current expenditure	101.8 -0.4	102.0 0.2	102.3 0.3	101.5 -0.7	101.5 -0.0	106.5 4.9	107.1 0.6	104.9 -2.0
6. Capital expenditure	98.9 0.4	98.9 0.0	99.7 0.8	100.4 0.7	101.7 1.3	101.1 -0.6	101.7 0.6	103.1 1.3
7. Business gross fixed capital formation:	102.1 1.0	101.4 -0.7	101.3 -0.1	100.5 -0.8	101.6 1.1	102.0 0.4	102.6 0.5	103.9 1.3
8. Residential construction	102.7 0.7	105.1 2.4	105.8 0.7	105.9 0.0	107.5 1.6	106.5 -0.9	108.2 1.6	109.5 1.2
9. Non-residential construction	103.3 1.0	104.1 0.8	104.1 -0.0	103.9 -0.1	106.0 2.0	108.6 2.4	109.0 0.4	111.0 1.8
10. Machinery and equipment	101.2 1.0	98.6 -2.6	97.8 -0.8	96.6 -1.2	97.0 0.4	97.7 0.8	97.5 -0.3	98.3 0.8
11. Exports of goods and services	101.6 -0.7	100.1 -1.4	100.7 0.6	101.6 0.9	102.3 0.7	102.7 0.3	102.3 -0.4	103.9 1.6
12. DEDUCT: Imports of goods and services	103.2 0.7	101.4 -1.7	103.3 1.9	104.4 1.0	104.5 0.2	105.7 1.1	105.6 -0.1	109.2 3.4
13. Gross Domestic Product at market prices	101.4 -0.2 -0.8	101.2 -0.2 -0.7	100.9 -0.3 -1.3	100.2 -0.7 -2.8	101.2 1.1 4.3	102.5 1.2 5.0	102.9 0.4 1.5	102.2 -0.6 -2.5
14. Final domestic demand	102.0 0.2	102.5 0.5	102.9 0.4	102.7 -0.2	103.3 0.6	104.5 1.1	105.4 0.9	105.6 0.2

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 6

1997 = 100

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Personal expenditure on consumer goods and services:	107.0 0.5	107.7 0.7	107.7 -0.0	107.4 -0.2	107.9 0.5	108.6 0.7	109.8 1.1	-
2. Goods	106.7 0.6	107.9 1.1	107.2 -0.6	106.1 -1.0	106.5 0.4	107.7 1.1	109.4 1.6	-
3. Services	107.0 0.4	107.5 0.4	108.0 0.4	108.4 0.4	109.1 0.6	109.3 0.3	110.1 0.6	-
4. Government expenditure on goods and services:	105.2 0.5	104.9 -0.3	105.7 0.8	106.0 0.2	106.3 0.3	106.8 0.5	107.2 0.4	-
5. Current expenditure	105.6 0.7	105.3 -0.3	106.2 0.9	106.5 0.3	106.7 0.1	107.2 0.5	107.7 0.4	-
6. Capital expenditure	102.5 -0.5	102.4 -0.1	101.9 -0.5	102.1 0.2	103.6 1.4	103.6 0.0	104.1 0.5	-
7. Business gross fixed capital formation:	104.1 0.3	104.9 0.7	104.1 -0.7	104.1 -0.0	106.3 2.1	105.8 -0.5	106.0 0.2	-
8. Residential construction	109.5 -0.0	111.0 1.3	111.8 0.7	113.6 1.6	115.9 2.0	116.1 0.2	116.9 0.7	-
9. Non-residential construction	111.0 0.1	111.2 0.2	111.4 0.1	111.2 -0.2	112.0 0.7	112.4 0.4	112.9 0.4	-
10. Machinery and equipment	98.8 0.5	99.5 0.8	97.9 -1.6	96.6 -1.4	99.1 2.6	98.0 -1.0	97.6 -0.4	-
11. Exports of goods and services	105.0 1.1	104.5 -0.4	103.5 -1.0	102.4 -1.1	103.3 0.9	103.6 0.3	104.3 0.6	-
12. DEDUCT: Imports of goods and services	109.5 0.3	109.3 -0.3	108.0 -1.1	107.5 -0.4	109.0 1.3	107.6 -1.3	108.6 0.9	-
13. Gross Domestic Product at market prices	103.5 1.3 5.1	103.4 -0.1 -0.5	103.3 -0.0 -0.2	102.3 -1.0 -4.0	102.8 0.5 2.1	104.3 1.5 6.1	104.8 0.5 2.1	-
14. Final domestic demand	106.1 0.4	106.6 0.5	106.6 -0.0	106.5 -0.1	107.3 0.7	107.7 0.4	108.6 0.8	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, INCOME-BASED

TABLE 7

Millions of dollars

	1998	1999	2000	2001
1. Wages, salaries and supplementary labour income (domestic basis)	199,854 5.6	214,535 7.3	233,887 9.0	244,058 4.3
2. Corporation profits before taxes	39,501 5.2	49,248 24.7	49,441 0.4	41,742 -15.6
3. Interest and miscellaneous investment income	17,130 1.4	17,432 1.8	17,780 2.0	17,163 -3.5
4. Accrued net income of farm operators from farm production	235 -4.5	231 -1.7	268 16.0	483 80.2
5. Net income of non-farm unincorporated business including rent	24,050 6.2	25,808 7.3	27,200 5.4	28,196 3.7
6. Inventory valuation adjustment	-521	-1,071	-1,355	90
7. Net Domestic Income at factor cost	280,249 5.3	306,183 9.3	327,221 6.9	331,732 1.4
8. Indirect taxes less subsidies	51,436 3.6	54,858 6.7	56,934 3.8	59,120 3.8
9. Capital consumption allowances and miscellaneous valuation adjustments	46,212 6.2	48,058 4.0	49,291 2.6	53,000 7.5
10. Gross Domestic Product at market prices	377,897 5.2	409,099 8.3	433,446 6.0	443,852 2.4

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 8

Millions of dollars

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	209,866 4.9	223,902 6.7	238,808 6.7	249,027 4.3
2. Goods	92,905 5.0	100,395 8.1	107,453 7.0	111,744 4.0
3. Services	116,961 4.8	123,507 5.6	131,355 6.4	137,283 4.5
4. Government expenditure on goods and services:	73,024 3.5	75,975 4.0	80,665 6.2	84,645 4.9
5. Current expenditure	65,646 4.6	67,379 2.6	71,521 6.1	74,346 3.9
6. Capital expenditure	7,378 -5.2	8,596 16.5	9,144 6.4	10,299 12.6
7. Business gross fixed capital formation:	59,448 5.3	65,757 10.6	69,644 5.9	70,120 0.7
8. Residential construction	17,227 0.4	20,136 16.9	21,831 8.4	23,070 5.7
9. Non-residential construction	10,374 3.7	11,538 11.2	11,564 0.2	11,709 1.3
10. Machinery and equipment	31,847 8.8	34,083 7.0	36,249 6.4	35,341 -2.5
11. Exports of goods and services	263,663 8.7	291,466 10.5	314,755 8.0	307,436 -2.3
12. DEDUCT: Imports of goods and services	229,462 7.6	248,671 8.4	273,431 10.0	264,659 -3.2
13. Value of physical change in inventories:	1,649	682	1,716	-3,209
14. Non-farm	1,800	793	1,906	-3,046
15. Farm and grain in commercial channels	-151	-111	-190	-163
16. Statistical discrepancy	-291	-13	1,289	491
17. Gross Domestic Product at market prices	377,897 5.2	409,099 8.3	433,446 6.0	443,852 2.4
18. Final domestic demand	342,338 4.7	365,634 6.8	389,117 6.4	403,792 3.8

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO REAL GROSS DOMESTIC PRODUCT, EXPENDITURE-BASED

TABLE 9

Millions of chained (1997) dollars

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	207,083 3.5	217,037 4.8	226,628 4.4	231,748 2.3
2. Goods	92,388 4.4	98,011 6.1	102,554 4.6	104,463 1.9
3. Services	114,703 2.8	119,077 3.8	124,168 4.3	127,427 2.6
4. Government expenditure on goods and services:	71,965 2.0	74,761 3.9	77,110 3.1	80,265 4.1
5. Current expenditure	64,616 3.0	66,122 2.3	68,139 3.1	70,190 3.0
6. Capital expenditure	7,353 -5.5	8,639 17.5	8,972 3.9	10,075 12.3
7. Business gross fixed capital formation:	58,278 3.3	64,918 11.4	67,939 4.7	67,240 -1.0
8. Residential construction	16,845 -1.8	19,195 13.9	20,219 5.3	20,696 2.4
9. Non-residential construction	10,171 1.6	11,110 9.2	10,653 -4.1	10,529 -1.2
10. Machinery and equipment	31,265 6.8	34,603 10.7	37,137 7.3	35,994 -3.1
11. Exports of goods and services	260,372 7.3	288,565 10.8	306,266 6.1	296,043 -3.3
12. DEDUCT: Imports of goods and services	223,274 4.7	241,242 8.0	257,331 6.7	243,723 -5.3
13. Value of physical change in inventories:	2,572	1,403	2,404	-2,117
14. Non-farm	2,550	1,423	2,550	-2,040
15. Farm and grain in commercial channels	21	-23	-158	-95
16. Statistical discrepancy	-287	-12	1,269	475
17. Gross Domestic Product at market prices	376,716 4.8	405,352 7.6	424,096 4.6	430,501 1.5
18. Final domestic demand	337,327 3.1	356,692 5.7	371,652 4.2	379,244 2.0

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

SOURCES AND DISPOSITION OF ONTARIO PERSONAL INCOME

TABLE 10

Millions of dollars

	1998	1999	2000	2001
1. Wages, salaries and supplementary labour income (national basis)	197,317 5.5	212,279 7.6	230,742 8.7	240,798 4.4
2. Net income of farm operators from farm production	235 -4.5	231 -1.7	268 16.0	483 80.2
3. Net income of non-farm unincorporated business including rent	24,050 6.2	25,808 7.3	27,200 5.4	28,196 3.7
4. Interest, dividends and miscellaneous investment income	43,459 3.6	44,612 2.7	47,209 5.8	46,757 -1.0
5. Current transfers from government, corporations and non-residents	39,591 5.2	39,619 0.1	41,319 4.3	43,693 5.7
6. Equals: Personal income	304,652 5.2	322,549 5.9	346,738 7.5	359,927 3.8
7. Deduct: Personal direct taxes	53,643 6.3	56,946 6.2	59,660 4.8	62,162 4.2
8. Other current transfers to government	19,547 4.5	20,606 5.4	23,030 11.8	24,886 8.1
9. Equals: Personal disposable income	231,462 5.0	244,997 5.8	264,048 7.8	272,879 3.3
10. Deduct: Personal expenditure on consumer goods and services	209,866 4.9	223,902 6.7	238,808 6.7	249,027 4.3
11. Current transfers to corporations	3,527 16.4	4,072 15.5	4,734 16.3	5,514 16.5
12. Current transfers to non-residents	545 11.2	574 5.3	590 2.8	689 16.8
13. Equals: Personal saving	17,524 4.4	16,449 -6.1	19,916 21.1	17,649 -11.4
14. Personal savings rate	7.6	6.7	7.5	6.5

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO TRADE**TABLE 11***Millions of dollars*

	1998	1999	2000	2001
1. Exports of Goods and Services	263,663 8.7	291,466 10.5	314,755 8.0	307,436 -2.3
2. Of Which: International	193,513 12.3	215,712 11.5	236,020 9.4	225,259 -4.6
3. Of Which: Interprovincial	70,150 -0.0	75,754 8.0	78,735 3.9	82,177 4.4
4. Imports of Goods and Services	229,462 7.6	248,671 8.4	273,431 10.0	264,659 -3.2
5. Trade Balance	34,201	42,795	41,324	42,777

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO IMPLICIT PRICE INDEXES, GROSS DOMESTIC PRODUCT

TABLE 12

1997 = 100

	1998	1999	2000	2001
1. Personal expenditure on consumer goods and services:	101.3 1.3	103.2 1.8	105.4 2.1	107.5 2.0
2. <i>Goods</i>	100.6 0.6	102.4 1.8	104.8 2.3	107.0 2.1
3. <i>Services</i>	102.0 2.0	103.7 1.7	105.8 2.0	107.7 1.8
4. Government expenditure on goods and services:	101.5 1.5	101.6 0.1	104.6 2.9	105.5 0.8
5. <i>Current expenditure</i>	101.6 1.6	101.9 0.3	105.0 3.0	105.9 0.9
6. <i>Capital expenditure</i>	100.4 0.4	99.5 -0.9	101.9 2.4	102.2 0.3
7. Business gross fixed capital formation:	102.0 2.0	101.3 -0.7	102.5 1.2	104.3 1.8
8. <i>Residential construction</i>	102.3 2.3	104.9 2.5	108.0 3.0	111.5 3.2
9. <i>Non-residential construction</i>	102.0 2.0	103.8 1.8	108.6 4.6	111.2 2.4
10. <i>Machinery and equipment</i>	101.9 1.9	98.5 -3.3	97.6 -0.9	98.2 0.6
11. Exports of goods and services	101.3 1.3	101.0 -0.3	102.8 1.8	103.8 1.0
12. DEDUCT: Imports of goods and services	102.8 2.8	103.1 0.3	106.3 3.1	108.6 2.2
13. Gross Domestic Product at market prices	100.3 0.3	100.9 0.6	102.2 1.3	103.1 0.9
14. Final domestic demand	101.5 1.5	102.5 1.0	104.7 2.1	106.5 1.7

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES**TABLE 13***Seasonally adjusted at annual rates, millions of dollars*

	1999 I	1999 II	1999 III	1999 IV	2000 I	2000 II	2000 III	2000 IV
1. Primary	7,716 4.2	7,741 0.3	7,769 0.4	7,820 0.7	7,688 -1.7	7,772 1.1	7,593 -2.3	7,475 -1.6
2. Utilities	9,734 1.4	9,707 -0.3	9,978 2.8	10,012 0.3	10,055 0.4	10,289 2.3	10,245 -0.4	10,458 2.1
3. Construction	16,994 5.8	17,572 3.4	17,924 2.0	18,241 1.8	18,637 2.2	18,402 -1.3	18,437 0.2	18,464 0.1
4. Manufacturing	80,459 1.0	81,781 1.6	83,668 2.3	83,588 -0.1	85,005 1.7	86,096 1.3	86,764 0.8	85,661 -1.3
5. Goods Producing Industries	114,904 1.9	116,802 1.7	119,338 2.2	119,662 0.3	121,385 1.4	122,558 1.0	123,040 0.4	122,057 -0.8
6. Wholesale and Retail Trade	42,618 3.5	43,537 2.2	44,941 3.2	45,675 1.6	45,759 0.2	46,906 2.5	47,816 1.9	47,854 0.1
7. Transportation and Warehousing	14,574 -0.9	15,059 3.3	15,671 4.1	16,061 2.5	15,773 -1.8	15,995 1.4	16,350 2.2	16,020 -2.0
8. Information and Cultural	13,778 7.3	14,348 4.1	15,144 5.6	15,594 3.0	15,946 2.3	16,394 2.8	16,946 3.4	17,563 3.6
9. Finance, Insurance, Real Estate, Rental and Leasing	77,193 1.7	78,223 1.3	79,676 1.9	80,400 0.9	81,530 1.4	81,900 0.5	82,801 1.1	83,571 0.9
10. Professional, Scientific and Technical Services	17,250 4.1	17,838 3.4	18,236 2.2	18,917 3.7	19,202 1.5	19,768 2.9	20,440 3.4	20,929 2.4
11. Administrative Support, Waste Management and Remediation Services	8,343 1.8	8,491 1.8	8,624 1.6	8,805 2.1	8,916 1.3	9,042 1.4	9,204 1.8	9,386 2.0
12. Educational Services	17,257 -0.0	17,441 1.1	17,603 0.9	17,711 0.6	17,259 -2.6	17,440 1.0	17,522 0.5	17,500 -0.1
13. Health Care and Social Services	20,235 1.6	20,561 1.6	20,695 0.7	20,978 1.4	20,921 -0.3	21,008 0.4	21,149 0.7	21,228 0.4
14. Arts, Entertainment and Recreation	3,197 1.3	3,340 4.5	3,417 2.3	3,540 3.6	3,544 0.1	3,496 -1.4	3,627 3.7	3,726 2.7
15. Accommodation and Food Services	7,974 4.3	8,110 1.7	8,116 0.1	8,117 0.0	8,026 -1.1	8,230 2.5	8,427 2.4	8,466 0.5
16. Other Services & Misc. Adjustments	8,119 1.3	8,184 0.8	8,176 -0.1	8,257 1.0	8,253 -0.0	8,275 0.3	8,341 0.8	8,487 1.8
17. Public Administration	18,562 0.3	18,683 0.7	18,403 -1.5	18,688 1.5	18,816 0.7	19,105 1.5	19,229 0.6	19,486 1.3
18. Services Producing Industries	249,101 2.1	253,815 1.9	258,702 1.9	262,741 1.6	263,944 0.5	267,558 1.4	271,851 1.6	274,218 0.9
19. Total Production	364,005 2.1 8.5	370,616 1.8 7.5	378,040 2.0 8.3	382,402 1.2 4.7	385,329 0.8 3.1	390,116 1.2 5.1	394,892 1.2 5.0	396,275 0.4 1.4

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 13

Seasonally adjusted at annual rates, millions of dollars

	2001 I	2001 II	2001 III	2001 IV	2002 I	2002 II	2002 III	2002 IV
1. Primary	7,396 -1.1	7,316 -1.1	7,142 -2.4	7,123 -0.3	6,848 -3.9	6,894 0.7	6,728 -2.4	-
2. Utilities	10,162 -2.8	10,375 2.1	10,027 -3.4	10,186 1.6	10,249 0.6	10,278 0.3	10,054 -2.2	-
3. Construction	18,988 2.8	19,216 1.2	19,674 2.4	20,080 2.1	20,621 2.7	20,133 -2.4	20,560 2.1	-
4. Manufacturing	82,696 -3.5	82,741 0.1	79,942 -3.4	79,011 -1.2	82,518 4.4	83,679 1.4	84,617 1.1	-
5. Goods Producing Industries	119,242 -2.3	119,649 0.3	116,785 -2.4	116,400 -0.3	120,236 3.3	120,985 0.6	121,958 0.8	-
6. Wholesale and Retail Trade	47,666 -0.4	48,105 0.9	47,823 -0.6	48,157 0.7	49,451 2.7	50,109 1.3	50,216 0.2	-
7. Transportation and Warehousing	15,948 -0.4	15,707 -1.5	15,586 -0.8	15,560 -0.2	15,657 0.6	15,841 1.2	15,853 0.1	-
8. Information and Cultural	17,766 1.2	18,229 2.6	18,577 1.9	19,145 3.1	19,622 2.5	20,042 2.1	20,287 1.2	-
9. Finance, Insurance, Real Estate, Rental and Leasing	84,317 0.9	85,126 1.0	85,771 0.8	86,741 1.1	87,721 1.1	88,554 1.0	89,154 0.7	-
10. Professional, Scientific and Technical Services	21,223 1.4	21,644 2.0	21,697 0.2	21,683 -0.1	22,018 1.5	22,282 1.2	22,527 1.1	-
11. Administrative Support, Waste Management and Remediation Services	9,447 0.6	9,510 0.7	9,480 -0.3	9,424 -0.6	9,615 2.0	9,634 0.2	9,850 2.2	-
12. Educational Services	17,503 0.0	17,463 -0.2	17,524 0.4	17,465 -0.3	17,413 -0.3	17,482 0.4	17,500 0.1	-
13. Health Care and Social Services	21,287 0.3	21,537 1.2	21,868 1.5	22,154 1.3	22,484 1.5	22,406 -0.3	22,566 0.7	-
14. Arts, Entertainment and Recreation	3,721 -0.1	3,642 -2.1	3,597 -1.2	3,591 -0.2	3,511 -2.2	3,735 6.4	3,594 -3.8	-
15. Accommodation and Food Services	8,680 2.5	8,659 -0.2	8,291 -4.2	8,340 0.6	8,190 -1.8	8,254 0.8	8,384 1.6	-
16. Other Services & Misc. Adjustments	8,583 1.1	8,661 0.9	8,609 -0.6	8,496 -1.3	8,512 0.2	8,532 0.2	8,611 0.9	-
17. Public Administration	19,665 0.9	19,944 1.4	20,048 0.5	20,151 0.5	19,933 -1.1	19,681 -1.3	20,952 6.5	-
18. Services Producing Industries	275,805 0.6	278,226 0.9	278,871 0.2	280,907 0.7	284,126 1.1	286,551 0.9	289,495 1.0	-
19. Total Production	395,047 -0.3 -1.2	397,875 0.7 2.9	395,656 -0.6 -2.2	397,307 0.4 1.7	404,361 1.8 7.3	407,536 0.8 3.2	411,453 1.0 3.9	-

Notes: Per cent change from previous quarter at quarterly rates is given on the second line.

* Annualized per cent change from previous quarter.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.

ONTARIO PRODUCTION BY INDUSTRY AT 1997 PRICES

TABLE 14

Millions of dollars

	1998	1999	2000	2001
1. Primary	7,196 4.9	7,762 7.9	7,632 -1.7	7,244 -5.1
2. Utilities	9,722 -3.0	9,858 1.4	10,262 4.1	10,187 -0.7
3. Construction	15,604 0.5	17,683 13.3	18,485 4.5	19,490 5.4
4. Manufacturing	76,860 7.3	82,374 7.2	85,881 4.3	81,098 -5.6
5. Goods Producing Industries	109,382 5.1	117,676 7.6	122,260 3.9	118,019 -3.5
6. Wholesale and Retail Trade	39,994 10.0	44,193 10.5	47,084 6.5	47,938 1.8
7. Transportation and Warehousing	14,319 1.7	15,341 7.1	16,035 4.5	15,700 -2.1
8. Information and Cultural	12,133 6.1	14,716 21.3	16,712 13.6	18,429 10.3
9. Finance, Insurance, Real Estate, Rental and Leasing	74,129 3.3	78,873 6.4	82,450 4.5	85,489 3.7
10. Professional, Scientific and Technical Services	15,677 12.7	18,060 15.2	20,085 11.2	21,561 7.4
11. Administrative Support, Waste Management and Remediation Services	7,861 7.7	8,566 9.0	9,137 6.7	9,465 3.6
12. Educational Services	17,179 1.5	17,503 1.9	17,430 -0.4	17,489 0.3
13. Health Care and Social Services	19,889 0.9	20,617 3.7	21,076 2.2	21,712 3.0
14. Arts, Entertainment and Recreation	3,140 -0.9	3,373 7.4	3,599 6.7	3,638 1.1
15. Accommodation and Food Services	7,575 8.2	8,079 6.7	8,287 2.6	8,492 2.5
16. Other Services & Misc. Adjustments	7,711 4.1	8,184 6.1	8,339 1.9	8,587 3.0
17. Public Administration	18,442 0.9	18,584 0.8	19,159 3.1	19,952 4.1
18. Services Producing Industries	238,050 4.7	256,089 7.6	269,393 5.2	278,452 3.4
19. Total Production	347,432 4.9	373,766 7.6	391,653 4.8	396,471 1.2

Notes: Per cent change from previous year is given on the second line.

Sources: Office of Economic Policy, Ontario Ministry of Finance and Statistic Canada.



